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Enbridge Gas Inc.
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VIA EMAIL and RESS

March 15, 2024

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, Ontario, M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (“Enbridge Gas” or the “Company”)
Ontario Energy Board (“OEB”) File No. EB-2023-0343
East Gwillimbury Community Expansion Project (“East Gwillimbury Project”)
Response to Environmental Defence (“ED”) Evidence Proposal**

Enbridge Gas is in receipt of ED’s letter dated March 8, 2024, which describes the evidence ED is requesting to file within the East Gwillimbury Project proceeding. ED states that it wishes to conduct its own surveys within the East Gwillimbury Project area to assess consumer interest in converting to natural gas versus electric heat pumps (the “ED Surveys”). ED also states that it wishes to retain Dr. Heather McDiarmid to provide evidence regarding consumer decision-making with respect to natural gas versus electric heat pumps (the “ED Electric Heat Pump Evidence”).

As important context, the OEB should consider ED’s request as part of a pattern of repeated attempts by ED to introduce evidence related to non-natural gas alternatives within Natural Gas Expansion Program (“NGEP”)¹ funded project proceedings, adding to the duration and complexity of the regulatory process (with associated costs ultimately borne by natural gas ratepayers), delaying service to consumers and communities that have expressed interest in (and have been identified by provincial policy and the OEB to receive) natural gas service, and, if ED is successful, unjustly saddling natural gas ratepayers with the costs of evidence designed to promote non-natural gas alternatives. For the reasons set out below, Enbridge Gas submits that the OEB should deny ED’s requests.

¹ <https://www.ontario.ca/page/natural-gas-expansion-program>: “The NGEP was created under the *Access to Natural Gas Act, 2018* to help expand access to natural gas to areas of Ontario that currently do not have access to the natural gas distribution system.”

The ED Surveys

ED's request to conduct and file the ED Surveys for the East Gwillimbury Project proceeding is similar to the requests made by ED within four recent leave to construct proceedings for NGEP-funded projects:²

- The Bobcaygeon Community Expansion Project proceeding (EB-2022-0111);
- The Sandford Community Expansion Project proceeding (EB-2023-0200);
- The Eganville Community Expansion Project proceeding (EB-2023-0201); and,
- The Neustadt Community Expansion Project proceeding (EB-2023-0261).

On February 20 and 29, 2024, the OEB denied ED's survey evidence requests within each of the four above-mentioned proceedings (the "OEB's February 2024 Decisions"). In doing so, the OEB stated, among other things:

"The OEB is of the view that the proposed survey evidence is not likely to provide information that could support a definitive conclusion that the project does not meet the requisite goals established in legislation and/or is uneconomic and contrary to the public interest. The OEB further finds that there are potential protections to the public interest including the community's continued unimpeded access to heat pumps, the RSP, and the OEB's expectations concerning project financial results upon rebasing, the efficacy of which may be addressed in final arguments.

Accordingly, the OEB denies the Environmental Defence request for a community survey."³

Now making the same request again, ED does not describe why the ED Surveys should be permitted for the East Gwillimbury Project proceeding in light of the OEB's February 2024 Decisions (only stating that it is in the process of seeking a review to the OEB and an appeal to the Divisional Court⁴). As such, ED's evidence request is an attempt to relitigate the OEB's February 2024 Decisions within the East Gwillimbury Project proceeding and should not be allowed by the OEB. It would not be fair nor efficient to relitigate substantially the same evidence request from ED in the East Gwillimbury Project proceeding. As such, Enbridge Gas will not repeat its submissions from previous proceedings regarding the proposed evidence. Enbridge Gas continues to rely on its previous submissions regarding the ED Surveys, referenced below:

- EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, Enbridge Gas Correspondence (December 21, 2023), pp. 4-6 ([link](#)); and,

² EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, ED Correspondence (December 14, 2023), p. 2 ([link](#)).

EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, ED Correspondence (January 11, 2024), pp. 4-6 ([link](#)).

³ EB-2022-0111, OEB Decision (February 20, 2024), p. 19 ([link](#)).

EB-2023-0200, OEB Decision (February 29, 2024), p. 20 ([link](#)).

EB-2023-0201, OEB Decision (February 29, 2024), pp. 17-18 ([link](#)).

EB-2023-0261, OEB Decision (February 29, 2024), p. 18 ([link](#)).

⁴ At this time there have been no determinations made regarding whether either request will be heard.

- EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, Enbridge Gas Correspondence (January 18, 2024), pp. 2-5 ([link](#)).

Based on the foregoing, and consistent with the OEB's February 2024 Decisions, Enbridge Gas submits that the OEB should deny ED's request to conduct and file the ED Surveys.

As a matter of procedural fairness, if the OEB decides to make provision for the ED Surveys, Enbridge Gas would require the opportunity for discovery and to file responding evidence.

The ED Electric Heat Pump Evidence

It is important to note that the ED Electric Heat Pump Evidence is the fourth iteration of electric heat pump-related evidence that ED has sought to file within NGEP-funded project proceedings since March 2023. The previous three iterations included:

1. A request to file evidence of Dr. Heather McDiarmid regarding the cost-effectiveness of electric heat pumps versus natural gas (EB-2022-0156, EB-2022-0248, and EB-2022-0249).⁵
 - ED's request was denied by the OEB on April 17, 2023.⁶
 - On April 25, 2023, ED filed a notice of motion to review and vary or cancel the OEB's April 17, 2023 decision, which was subsequently amended by ED on September 27, 2023 after leave to construct was issued for the applications (EB-2023-0313). ED's review motion was denied by the OEB on December 13, 2023.⁷
2. A request to file evidence of Dr. Heather McDiarmid regarding a review of Enbridge Gas's evidence relating to the cost-effectiveness of electric heat pumps versus natural gas (EB-2022-0111, EB-2023-0200, EB-2023-0201, and EB-2023-0261).⁸
 - ED's request was denied by the OEB within the OEB's February 2024 Decisions.⁹
 - On March 11, 2024, ED filed a notice of motion to review and vary or cancel the OEB's February 2024 Decisions.¹⁰

⁵ EB-2022-0156/EB-2022-0248/EB-2022-0249, ED Evidence Proposal (March 9, 2023) ([link](#)).

⁶ EB-2022-0156/EB-2022-0248/EB-2022-0249, OEB Decision on Intervenor Evidence and Confidentiality (April 17, 2023) ([link](#)).

⁷ EB-2023-0313, OEB Decision and Order (December 13, 2023) ([link](#)).

⁸ EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, ED Correspondence (January 11, 2024), pp. 2-3 ([link](#)).

⁹ EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), p. 14 ([link](#)).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 14 ([link](#)).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 12 ([link](#)).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 12 ([link](#)).

¹⁰ At this time there have been no determinations made regarding whether the request will be heard.

3. A request to conduct and file the ED Surveys to assess consumer interest in converting to natural gas versus electric heat pumps and provide survey respondents with information regarding the benefits of electric heat pumps, as described above (EB-2022-0111, EB-2023-0200, EB-2023-0201, and EB-2023-0261).¹¹
 - ED's request was denied by the OEB within the OEB's February 2024 Decisions.¹²
 - On March 11, 2024, ED filed a notice of motion to review and vary or cancel the OEB's February 2024 Decisions.¹³

ED's fourth and currently proposed iteration of electric heat pump-related evidence (the ED Electric Heat Pump Evidence) consists of evidence of Dr. Heather McDiarmid regarding factors that will impact consumer decisions to connect and remain connected to the natural gas system, including the relative cost-effectiveness and benefits of heating with electric heat pumps versus natural gas.¹⁴

There is no principled reason why the ED Electric Heat Pump Evidence should be permitted given the recent findings and reasons within the OEB's December 13, 2023 Decision and Order for ED's review motion (EB-2023-0313) and the OEB's February 2024 Decisions. Nor is there any attempt made by ED within its March 8, 2024 letter to describe why those recent OEB decisions to deny similar ED evidence proposals should not also apply to ED's fourth and current request.

In fact, ED disregards the OEB's repeated and consistent direction within NGEF-funded project proceedings that:

- i. The OEB is not making a decision between the use of electric heat pumps instead of natural gas;¹⁵
- ii. Matters such as potential uptake of consumer energy solutions need to rely on actual consumer and community interest;¹⁶

¹¹ EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, ED Correspondence (December 14, 2023), p. 2 ([link](#)).

EB-2022-0111/EB-2023-0200/EB-2023-0201/EB-2023-0261, ED Correspondence (January 11, 2024), pp. 4-6 ([link](#)).

¹² EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), p. 15 ([link](#)).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 16 ([link](#)).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 14 ([link](#)).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 14 ([link](#)).

¹³ At this time there have been no determinations made regarding whether the request will be heard.

¹⁴ EB-2023-0343, ED Evidence Proposal (March 8, 2024), p. 2 ([link](#)).

¹⁵ EB-2022-0156/EB-2022-0248/EB-2022-0249, OEB Decision on Intervenor Evidence and Confidentiality (April 17, 2023), p. 4 ([link](#)).

EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), p. 14 ([link](#)).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 15 ([link](#)).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 13 ([link](#)).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 13 ([link](#)).

¹⁶ EB-2022-0156/EB-2022-0248/EB-2022-0249, OEB Decision on Intervenor Evidence and Confidentiality (April 17, 2023), p. 4 ([link](#)).

- iii. Factors that impact consumer choices between electric heat pumps and natural gas can change over time;¹⁷
- iv. The case for alternatives to natural gas service should primarily be a marketplace issue;¹⁸
- v. The approval of NGEF-funded projects does not restrict consumers and communities from obtaining electric heat pumps;¹⁹
- vi. Enbridge Gas is not guaranteed total cost recovery in the event of revenue shortfalls;²⁰ and,
- vii. ED's interests with respect to broader climate change issues and the promotion of electric heat pumps extend beyond the scope of NGEF-funded project proceedings.²¹

Furthermore, ED's March 8, 2024 letter does not provide any information regarding Dr. Heather McDiarmid's expertise with respect to the proposed ED Electric Heat Pump Evidence (i.e., factors that impact consumer energy decision-making). As such, parties to the proceeding are not able to address Dr. Heather McDiarmid's qualifications (or lack thereof) on the topic. ED also provides no information regarding the probative value of Dr. Heather McDiarmid's assessment of factors that impact consumer energy decision-making compared to the expressed interests of actual consumers and municipalities that are specifically requesting natural gas service, as filed by Enbridge Gas for the East Gwillimbury Project.²²

Based on the foregoing, Enbridge Gas submits that the OEB should deny ED's request to file the ED Electric Heat Pump Evidence.

As a matter of procedural fairness, if the OEB makes provision for the ED Electric Heat Pump Evidence, Enbridge Gas requires the opportunity for discovery and to file responding evidence.

¹⁷ EB-2022-0156, OEB Decision and Order (September 21, 2023), p. 20 ([link](#)).

EB-2022-0248, OEB Decision and Order (September 21, 2023), p. 20 ([link](#)).

EB-2022-0249, OEB Decision and Order (September 21, 2023), p. 19 ([link](#)).

¹⁸ EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), p. 18 ([link](#)).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 19 ([link](#)).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), pp. 16 ([link](#)).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 17 ([link](#)).

¹⁹ EB-2022-0156, OEB Decision and Order (September 21, 2023), p. 19 ([link](#)).

EB-2022-0248, OEB Decision and Order (September 21, 2023), p. 20 ([link](#)).

EB-2022-0249, OEB Decision and Order (September 21, 2023), pp. 18-19 ([link](#)).

²⁰ EB-2022-0156, OEB Decision and Order (September 21, 2023), pp. 20-21 ([link](#)).

EB-2022-0248, OEB Decision and Order (September 21, 2023), p. 21 ([link](#)).

EB-2022-0249, OEB Decision and Order (September 21, 2023), p. 20 ([link](#)).

EB-2022-0111, OEB Decision on Intervenor Evidence (February 20, 2024), pp. 18-19 ([link](#)).

EB-2023-0200, OEB Decision on Intervenor Evidence (February 29, 2024), p. 19 ([link](#)).

EB-2023-0201, OEB Decision on Intervenor Evidence (February 29, 2024), p. 17 ([link](#)).

EB-2023-0261, OEB Decision on Intervenor Evidence (February 29, 2024), p. 17 ([link](#)).

²¹ EB-2023-0313, OEB Decision and Order (December 13, 2023), p. 16 ([link](#)).

²² EB-2023-0343, Exhibit B, Tab 1, Schedule 1, p. 4, para. 10 ([link](#)).

EB-2023-0343, Exhibit B, Tab 1, Schedule 1, Attachments 2 and 3 ([link](#)).

If you have any questions, please contact the undersigned.

Sincerely,

Haris Ginis
Technical Manager, Leave to Construct Applications

c.c. Arturo Lau (OEB Staff)
Intervenors (EB-2023-0343)